

LOCAL FINANCE BOARD

**SUPPLEMENTAL QUESTIONNAIRE FOR APPLICANTS SEEKING APPROVAL TO:
(1) ISSUE BONDS/NOTES RELATED TO TAX APPEALS OR TO REFUND
EMERGENCIES; (2) WAIVE A DOWN PAYMENT; or (3) ISSUE NONCONFORMING
DEBT.**

Members of the Local Finance Board occasionally receive applications from municipalities seeking to engage in financial transactions that are not statutorily permitted as of right. These applications should only be pursued when a municipality has made efforts to prepare for a reasonably foreseeable financial challenge and only after a municipality has made substantial efforts to control spending. This questionnaire, when completed, will allow the members of the Local Finance Board to determine whether a municipality has made substantial efforts to control spending as a precondition to further considering an application.

- I. PRUDENT PLANNING FOR A FORSEEABLE POTENTIAL EXPOSURE**
- A) WHEN DID THE MUNICIPALITY BECOME AWARE OF UNDERLYING ISSUE (AND RELATED FISCAL EXPOSURE) THAT CULMINATED IN THE APPLICATION TO THE LOCAL FINANCE BOARD?**

(For example, if the underlying issue was tax appeals or other litigation, when were the appeals filed and when was potential exposure brought to the attention of the governing body and how regularly were they updated as to potential fiscal exposure?)

Governing body first notified

Governing Body Update 1

Governing Body Update 2

Governing Body Update 3

1) WHAT STEPS DID THE MUNICIPALITY TAKE TO PREPARE FOR THE POTENTIAL EXPOSURE?

A) Amount and dates of appropriations to prepare for exposure?

B) Other

II. What actions has the municipality taken in the current and prior fiscal year to allow for the flexibility to address the issue and financial exposure without resorting to issuing debt or seeking special Local Finance Board approvals?

(A) Personnel Actions

(1) Explain current year layoff plan, if applicable:

(2) Explain prior year layoff plan, if applicable:

(3) Explain prior year furloughs, if applicable:

(4) Explain current year furlough, if applicable.

(B) Municipal Actions

(1) Has the municipality submitted the current collectively bargained contracts to PERC?

(2) Were pay increases granted to employees who were not contractually entitled to them in the prior year? If yes, please attach names, positions, and increases:

(3) Have pay increases been awarded in the current year to employees who are not contractually entitled to them? If yes, please attach names, positions, and increases:

(4) What are the pay increases and compensation changes in any collective bargaining agreements approved within the prior 24 months?

**(5) Do elected officials receive compensation?
If so, what is their annual compensation?**

(6) Are elected officials entitled to receive health benefits?

(7) Does the municipality provide vehicles for its local government officers or employees? If yes, please list the position(s) entitled to this privilege and the make, model and year of the vehicle(s).

(8) Does the municipality allow for catering of events or meals for personnel?

(9) Does the municipality allow for out-of State travel or hotel stays?

(10) What existing shared service agreements are in place in the municipality and what other shared services are being pursued?

(11) Has the municipality reviewed all of its employees to ensure that they are not required to be paid as vendors? (i.e., an employee who might really be a partner at law firm or engineering firm and that current law prohibits from being enrolled in the pension system? See pages 18-19 of Comptroller report.)

(12) Has the municipality eliminated or scaled back any programs in the current or prior year? Please explain.

(13) Please explain any other local actions in the current year that are designed to obviate or reduce the need to issue debt or to seek approval for this application?

III. Impact on Taxpayer

A) What is the municipal tax bill for an average residential tax payer?

B) What is the dollar impact on the average tax bill of the requested action per year of the proposed financing?